

INVESTMENT UPDATE AND NTA REPORT

JULY 2022



PORTFOLIO SNAPSHOT: NET TANGIBLE ASSET BACKING PER SHARE (NTA)

NTA Current Month	Before Tax ¹	After Tax ¹
31-Jul-22	34.3 cents	38.2 cents

NTA Previous Month	Before Tax ¹	After Tax ¹
30-Jun-22	32.1 cents	36.5 cents

¹ Figures are unaudited and approximate.

KEY ASX INFORMATION (AS AT 31 JULY 2022)

ASX Code	TEK
Structure	Listed Investment Company
Inception date	January 2017
Market Capitalisation	\$112.6 million
Share Price	26.5 cents
Shares on Issue	425,041,104
Management Fee	0.75% half yearly
Performance Fee	20% of net portfolio increase over pcp
Manager	Thorney Investment Group

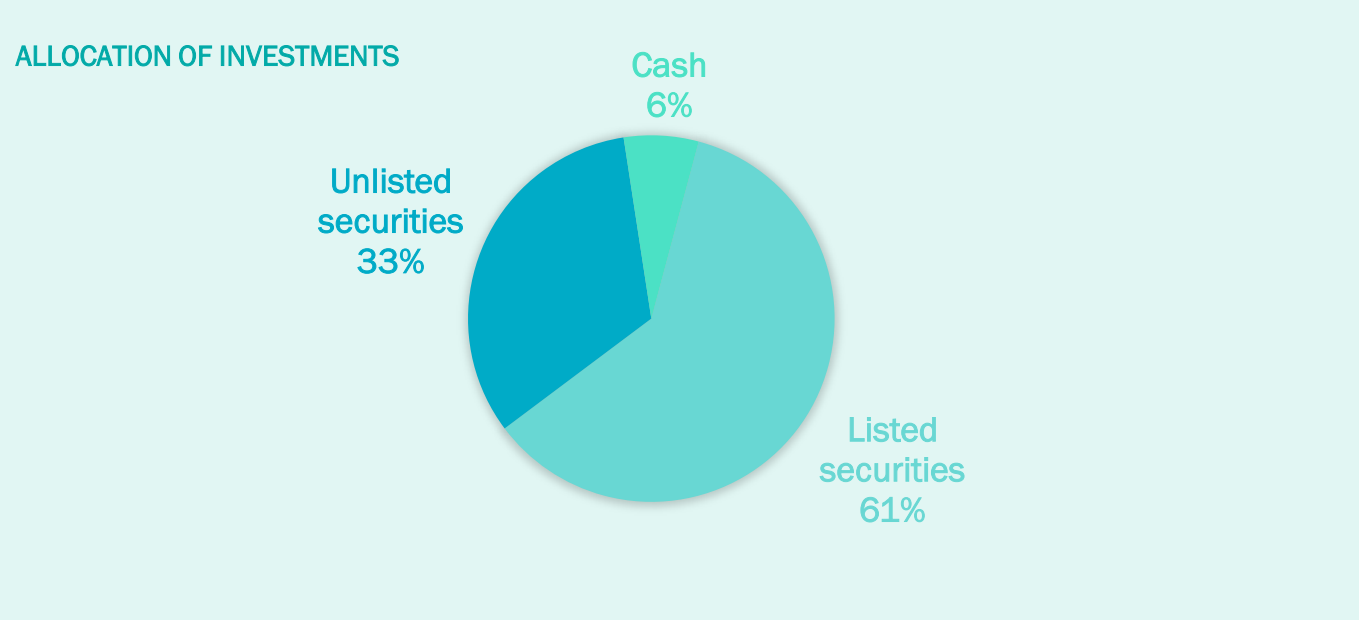
INVESTMENT PERFORMANCE

As at 31 July 2022	1 Month	1 Year	Since Inception
TEK investment portfolio	6.92%	-25.79%	11.64%
S&P Small Ordinaries Accum. Index	11.43%	-10.93%	7.94%
Performance versus Index	-4.52%	-14.87%	+3.71%

* Investment performance is calculated on a pre-tax NTA basis.

TEK SECURITIES

Rank	Company	Code	% of Total Portfolio
1	Calix	CXL.ASX	13.5
2	Updater Inc.	Unlisted	6.3
3	Imugene	IMU.ASX	4.5
4	Iris Energy	IREN.NAS	2.9
5	Credit Clear	CCR.ASX	2.7





PORTFOLIO COMMENTARY

“TEK’s NTA level was higher in July with good share price gains across a number of key holdings as Australian equity markets rebounded during the month a number of strong US earnings reports outweighed inflation and interest rate concerns.”

LISTED SECURITIES

Below is a sample of company news released by some of the listed portfolio companies.

CREDIT CLEAR LIMITED

- Credit Clear Limited (CCR.ASX) posted record revenue of \$8.63m¹ in Q4 FY22, up 41% quarter-on-quarter and 160% vs the previous corresponding period.
- The record monthly revenue of \$3.12m achieved in June takes Credit Clear’s annualised revenue run rate to \$37.44m².
- In addition to record revenue, Credit Clear reported consecutive months of operational profitability³ in May and June 2022, through continued growth and a disciplined approach to its ongoing investment in technology.
- The Company said it signed 60 new clients in Q4 FY22, including several clients that it expects to become top ten clients by revenue. Notable clients include a financial services provider, a state government service provider, and a large water utility.
- CCR said its sales pipeline had also strengthened considerably during the quarter. New opportunities include negotiations with a large Australian bank, a tier 1 Australian insurer and several large utility opportunities, where growing pressure on customers due to rising inflation is having an impact.

1: The financial results for Q4FY22 are unaudited

2: Revenue run rate is calculated on annualised June actual revenue

3: Operational profit excludes non-operational items such as redundancies, one-off legal matters and capital raising fees

PENTANET LIMITED

- Pentanet Limited (5GG.ASX) announced it has entered into a new Master Access Agreement with Axicom Pty Ltd which is part of Australia’s largest independent digital infrastructure businesses that own, operate and manage wireless infrastructure.
- Axicom has a national footprint of 1858 towers across Australia, with over 110 towers in Perth and 180 towers in Western Australia.
- The move supports Pentanet’s planned network expansion.
- Under the terms of the new Master Access Agreement, the licence terms of all existing site licences have been extended for a period of 10 years from 1 July 2022 with an option to extend by a further five years.
- Site licences have been recognised by Pentanet as leases under AASB 16.
- Pentanet said the move assists in the next phase of growth plans with Axicom, to enable neXus and 5G products to be rolled out across the rest of their network in Western Australia.
- The agreement will also allow Pentanet to leverage more value from its network, which will allow for a material uplift in the capability of our network to deliver a better customer experience and increase capital efficiency.

JAYRIDE LIMITED

- Jayride Limited (JAY.ASX) reported record high passenger trips booked of 136,000 in Q4 FY22; up 81% vs Q3 FY22 and up 190% vs Q4 FY21, with the result above pre-pandemic levels.
- The Company also reported an all-time high revenue increase of \$506K in a single quarter in Q4 FY22 to \$1.09m up 86% vs Q3 FY22 and up 213% vs Q4 FY21.
- JAY’s full-year FY22 net revenue grew to \$2.56 million, up +237% vs FY21.
- For Q4 FY22, the Company expects to report its first quarter with positive cash flow after stand-still operating costs, delivering one of the Company’s key milestones.
- It said Q1 FY23 outlook is positive with growth set to continue, with the Company winning market share and is positioned to leverage US and Europe summer travel season, and the continued reopening of Asia and Oceania travel destinations.

ZIP CO LIMITED

- Zip Co Limited (ZIP.ASX) announced that it had mutually agreed with Sezzle Inc. (ASX:SZL) to terminate the proposed acquisition of SZL by ZIP.
- As part of the mutual termination, ZIP will pay SZL US\$11m to cover legal, accounting, and other costs associated with the transaction.
- ZIP said it remains firmly focused on its strategic plan and accelerating its path to profitability.
- It added that it remains well capitalised to execute on its strategy, with the US remaining a core market and area of focus, and a significant opportunity for the business.
- In line with previous guidance, ZIP continues to expect to deliver group profitability during FY24.

UNLISTED SECURITIES

- TEK has a diverse unlisted investment portfolio which represents approximately 30% of total assets.
- This proportion is subject to fluctuation due to valuation adjustments in both the listed and unlisted investment portfolio.
- The TEK unlisted investment portfolio comprises companies in Australia, Israel and the USA, including those which are very early stage to those which have near term aspirations to IPO on a relevant securities exchange.
- Some of these investments have been made in USD so monthly valuations will fluctuate with currency.
- There are over 50 different unlisted investments.
- With each future monthly NTA/investor update, a brief summary will be provided on at least one of the unlisted investments in the portfolio.

CHAIRMAN'S COMMENTS

Alex Waislitz said: *“Regardless of all the challenges the world is currently facing, I remain cautiously optimistic and maintain my belief that there has never been a better time to be investing in the exciting technology space. I have continued to acquire TEK shares on-market through my private Thorney Investment Group.*

At TEK we maintain our view that the revolutionary power of disruptive technology to improve lives, create new global businesses, stimulate economies and generate wealth is only just beginning.

Despite the macroeconomic and geopolitical influences on global equity markets, we remain optimistic about our ability to perform in this environment.”



COMPANY NEWS

FY22 Result

TEK will provide more details on portfolio performance and top holdings at its upcoming FY22 result, which is expected to be released on or around **Wednesday, 31 August 2022**. Details of an FY22 investor briefing will be released shortly.

INVESTMENT PHILOSOPHY

TEK seeks to identify early-stage companies with new and disruptive technology and business models, and invests in a broad range of areas of technology, such as fin-tech, e-commerce, education, agriculture, medical, telecommunication, robotics and AI.

INVESTMENT OBJECTIVES

- Producing absolute returns for shareholders over the medium- to long-term

KEY CONTACTS

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ABOUT THORNEY TECHNOLOGIES

Thorney Technologies Ltd (TEK) is an ASX-listed investment company (LIC), with a broad mandate to invest in technology-related investments at all phases of the investment lifecycle. As well, TEK seeks to identify early-stage companies with new and disruptive technology and business models and invests in a broad range of areas of technology, such as fin-tech, e-commerce, education, agriculture, medical, telecommunication, robotics and AI. High quality deal flow is generated via our networks established in Australia, Israel and USA for investment opportunities in both listed and unlisted entities.

TEK is managed by the privately owned Thorney Investment Group pursuant to a long-term investment management agreement.

You can invest in TEK by purchasing shares on the Australian Securities Exchange (ASX).

For more information visit: <https://thorney.com.au/thorney-opportunities/>

This monthly report has been prepared by Thorney Management Services Pty Ltd (TMS) ABN 88 164 880 148, AFSL 444369. TMS is the investment manager of Thorney Technologies Ltd (TEK or Company) ACN 096 782 188. It is general information only and is not intended to provide you with financial advice or take into account your objectives, financial situation or needs. You should consider, with a financial adviser, whether the information is suitable for your circumstances. This information does not constitute an offer, invitation, solicitation or recommendation with respect to the purchase or sale of the Company's securities. To the extent permitted by law, no liability is accepted for any loss or damage as a result of any reliance on this information. References to securities in this publication are for illustrative purposes only and are not recommendations and the securities may or may not be currently held by the Company. Past performance is not indicative of future performance. This information is believed to be accurate at the time of compilation and is provided in good faith. No company in the Thorney Investment Group (Thorney Investment Group Australia Limited ABN 37 117 488 892 and its subsidiaries including TMS) nor the Company guarantees the performance of the Company or the return of an investor's capital.